L.7.123-96

G. R. S. IX-5]

Previous references.

1898-99

~~191~~.

(L. B.)

L.B. File No. 100 898.

Serial Nos. 1–2.

Later references.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1–2

M. ~~Part~~ B for March, 99.

SUBJECT.

Grants from Local funds General.

Undersd

W D 88—GPB—50,000—24-7-16

..sl 39 mi L-F 88 93

PP 12

Local Fund General

In November 1871 the incidence of the Local Cess was ordered to be ~~examined~~ by Sayer and Abkari collections and it was ordered that the Cess on Supari Halid and Abkari collection should be treated as a General Fund. Separate from District Funds

For expenditure under the Chief Commissioners in any part of the Province in which such special assistance appears to be required vide Cir. No 4274-6 Rev 21.7.14 now in page 137 of Mysore Revenue Manual.

In 1873 (vide para 2 of Chief Commrs Cir No 2081 of 22 July 73) certain modifications were made in the items of the Revenue of the Local Fund General after specially assigning the Cess on Supari Halad in the Shimoga and Kadur Districts to Supplement the District Funds and it was

laid

in para 4 of the above proceedings.

laid down, that the Local fund General "will be available
"to meet Special Grants-in-aid
"from time to time for local
"purposes" under the authority
"of the Chief Commissioner"

3. The same object of the Local fund General is repeated in Chief Commrs Circ. No. 181 of 22nd January 1771 in which the items composing the District Fund and the Local Fund General were revised as follows:-

	District Fund	Village School fund	Local Fund General	
Cess on Land Revenue	76 p. Cent	24 p. Cent	— " —	® including land revenue miscellaneous
— Coffee Halut	76 —	24 —	— —	
— Cardamoms	76 —	24 —	— —	— for on land revenue
— Pepper —	76 —	24 —	— —	
— Abkari —	— " —	24 —	76 p. Cent	
Cess on Supari in Shimoga & Kadur	76 —	24 —	— —	
— do in the other Dists	" —	24 —	76 p. Cent	
Miscellaneous	— " —	24 —	76 p. Cent	

Note The items under Miscellaneous 76 p. Cent of which goes to Local Fund General are
1 Forest Sales except timber and Sandalwood.
2 Salt pans, 3 toll Contracts, 4 other items.

Note The Revenue Branch has recently sent for Statements from all Districts showing all the items whether Land Revenue Miscellaneous or General Miscellaneous on which local cess is levied. There appears to be a diversity of practice in respect of some of the items & the subject seems to be under consideration in the Revenue Branch.

pp 2

4 Proceedings of 4th March 1891

13080-9 Govt Resolved to grant
Cr. 288-2-375
Rs 10000 to each of the Districts
in the province during 1891-2 for
any works of utility such as the
excavation of wells for the use of
men and cattle, construction of
village Chavadies bathing ghats
bridges, or roads and such other
measures as were requested of
Works

submit proposals,

The Statements have not been
received orders were passed on
the demands for funds allotted vide Govt
Rs. Rs 6591-6600 dated 10 Sept 1891.

6 In addition to the above
ordinary allotment of funds
Special Grants were made from
local fund General for Expenditure
on Works in 1891-2 in consequence
of the drought of that year, vide
Govt Rs. 6591-600 of 10 Sept 1891.
~~454~~

Camp No D 6-11 dated 7 December 1891.

^ directing that the grants should not be expended in Municipalities unless the works proposed are useful to the General public.

X This distinction is pointed out in Govt Rs No 4253-4 dated 27 May 91

5. In the year 1892-3 Govt. resolved to grant Rs. 15,000 to each District from local fund general :-

"for the excavation of wells for the use of men and cattle, construction of Village Chavadis, bathing Ghats, bridges over small nallahs or streams, &c", vide Rev. No. 13,717-26 L 1417 of 2nd March 1892.

7. Statements were accordingly received and works sanctioned for all the Districts, and while passing orders on the Statement of the Chikaldoway District in Govt. Rs. No. 2219-20 L 321 of 9th May 1892 it was laid down:-

"The grant from Local Funds General is chiefly intended for the excavation of drinking water wells and construction of Mantapams and Chavadis useful to travellers and villagers and not for bridges & and tunnels which must ordinarily be constructed from District Funds. The Govt. therefore strike out the provision of Rs. 3,000 made for bridges and tunnels."

8 In 1893-4 a Sum of Rs 15.000 was granted to each District "for the excavation of drinking water wells construction of Village Chavadies, bathing Ghats, bridges over Nallahs or streams, o

x Small one in Counter Cash Books.

[illegible] Govt Ho No 5160 58 of 17 Sept/9
£7 88-93

9 Thus it appears that the grants made in 1891-2 originally [illegible] were made with a view to ordinary grants subsequently increased in 1892-3 and 1893-4 were ordinary grants Liberal local funds [illegible] throughout the Province to a considerably greater extent than was the case previous to 1891-2.

The same liberal policy was laid down in respect of the District funds also in the same year viz 1891-2 in Govt Proceedings No 1893-94 dated 29 Oct 1891. £648 in which Dist were ordered to set apart a portion of their District Funds for the sanitation of rural parts such as cleaning the streets removing prickly pear in the vicinity of Villages, digging wells for good drinking water, and so forth. Expenditure of money for such purposes is more important

"and is likely to be better appreciated
"than the formation of new roads."

Accordingly since 1891-2 the
Local Fund Boards have been spending
large sums of money on the above
kinds of works.

11. It will be seen that the nature, description,
of the works are the same whether
they are sanctioned from local
funds general or the District Funds,—
the grants from local Fund general
being "special grants-in-aid from
time to time for local purposes"

On making enquiries I am
assured that there are no Rules
about the local fund general and
its administration, other
than the Circular orders,
which the major ones are
referred to above

N.
29-8-94

(7/3) (2)

14

Extract from Mr. Chentsal Rao's note dt 17. 7. 94 on pl 32. in L. J. P. 8-93.

It must be distinctly understood that no works in municipalities should be undertaken from these funds nor for making roads, which ought to be ordinarily executed from District funds the money should be appropriated chiefly for excavation of wells in rural parts for drinking purposes, for removing prickly pear, for constructing bathing ghauts, and such other works as would promote sanitation

(3) 3 (2) 5

Land & Revenue Dept

Local Fund General

This is an unfettered fund the disposal of which was left ~~at the~~ to the discretion of the local Chief Comr. It was intended to enable the Chief Comr. to grant such help to local Fund works as he might consider necessary —

Our system of sanction is now much simpler and I do not think any special reason now exists for having a separate Local Fund General —

The Fund consists of 76% of Realizations from Excise Sayar, Sale of Forest produce, Rent of Salt pans, Tolls &c — the remaining 24% goes to Education

× except in Madras, where 76% goes to the L. funds of the Dts.

From the nature of the items it will be seen that were local cess on them abolished, the revenue to get from them will be correspondingly increased

An annual grant to Dt.
funds of Medical & Sanitation
and to Education will
be necessary and this
the Govt can give from its
General Revenue. Indeed
what now constitutes the receipts
~~Contributions~~ of Local Fund
General, are in reality

Govt Revenue pure & Simple -
In most Cases (except Sayer), the
one anna per ~~tax~~ Rupee is not
a Separate ~~Cess~~ levy, but is
a deduction of $\frac{1}{17}^{th}$ from
the Govt Revenue realized -

If we simplify the accts
& abolish the Local
Cess on the Items above
named, and to give
the necessary Grants-in-aid
to Education & to Dt.
Funds of Medical & Sanitation from Govt Revenue

The measure wd. be otherwise
also Convenient - One of
wd abolish the Separate levy

6

on Sugar we should lose not probably make the Sugar duty - 12 3/4 annas, & we will lose - some 25,000 a year from the Source - It is perhaps right that we shd do this -

24-4-44.

On principle, the Local Funds Govt shd cease disappear. There is no principle in demanding a local cess on Abkary Collections, & on Sugar duty - Financially we do not lose by the abolition of Local Funds General, but we lose the concept of a separate Fund at our disposal for Local purposes - I do not think that the Govt can make grants for Local purposes from Govt Revenues, & he would if a portion thereof is not at present for Local purposes. On these grounds alone, I shd decide to recommend its abolition -

10/10/44

(4) (4)

L. G. Gl grant for 1895-9

Sl to S. 2 in L. J. 88 of 93

Office note by Mr. T Paramasu Iyer:". For a number of years we have been allotting 1.20.000 a year at Rs 15.000 to each Dist. (Intd) T. P.

Yes and there has not been proper utilisation of the sums so allotted in some Districts ~~(Intd) T. P. 8.8.~~

What is required to finish the incomplete works in Kolar and (the) other Dists may be granted from L. J. Gl as was done lately in the case of Shimoga. As regards the other Districts only such sums as may be actually required to finish on the incomplete works last year may be granted.

(Intd) T. P. 8-95.

L. J. G.

Sl 2 in L.F 124½ 91

Memo

During the years 1891-92 to 1894-95 Special grants varying from Rs 10,000 to Rs 15,000 for each District were made from Local Funds General for the excavation of drinking water wells and other works of Village Sanitation and conservancy. These grants have now been stopped in 1895-96, the sums required for completing works undertaken out of the grants of previous years being alone sanctioned by a Special order of Government with the multiplication of traffic and new roads, the charges of road making & road maintenance absorb an ever increasing proportion of the District Funds, so that very little

I would give at least 75,000 a year Shimoga, Kadur and Chitaldrug should have the largest sums. I have slightly altered the proposed grants.

(Initialled) J.R.A.J.

is available out of the latter
for expenditure on
small but important works
of rural communications and
sanitation such as drink-
ing water wells, manure pits
cart tracks, bathing ghats,
bridges over Nallas &c and
in the budgets for 1876-77
the annual provision for these
works has either been largely
reduced or altogether omitted.
The annual receipts under
Local Funds (General may
be taken at a lakh and
three quarters and having
regard to the fact that
the balance in favour of
the fund is nearly 5 lakhs,
a reserve of 3½ lakh a year
would in the ordinary
course of things suffice
for the special works of

9. maanitude for which the
fund was originally intended
leaving a lakh of Rupees for
the purposes towards which
it was partially diverted
during the past 4 or 5 years
and which are described in
para 1 of Government Pro-
ceedings dated 4th October 1894
No 61-9 as follows:
L.F 88-93

"It must be distinctly
understood that no works
within municipal limits
should be undertaken from
these funds (the Special
Grants from Local Funds
General) nor can they be
appropriated for roads which
ought to be ordinarily
executed from District Funds
The money should be
appropriated chiefly for
the excavation of drinking
water

water wells in rural parts, for constructing bathing ghauts, bridges over nalas and such other special works, as would promote sanitation and public convenience of the rural parts."

The funds are sufficiently large to allow of the original object and the subsequent diversion being reconciled and if the above proposal is approved, the following allotments maybe made for the various Local Fund Circles for 1896-97.

(1). Bangalore Circle		Rs 8,000
(2) Kolar	"	Rs 8,000
(3) Tumkur	"	Rs 8,000
(4) Mysore	"	Rs 5,000.
(5.) French Rocks	"	Rs 3,000.
(6.) Hassan	"	Rs 8,000
(7) Shimoga	"	Rs 12,000.
(8) Kadur	"	Rs 12,000
(9) Chitaldrug	"	Rs 10,000.
	Total	Rs 74000

(Initialled) J.P.

I have slightly reduced the proposed grants for minor Lacs to Rs 74000. and submit this note for the approval of the Hon'ble Member in charge of the Revenue Department.

(Initialled) J.P.Q.J. 14/3/96.

See my note attached

(Initialled) R.S. 29/3/96.

Sl. 4 in L-F 124½ 794

16

Note

The Local Fund General is not intended to be distributed in this general way throughout the entire Province but has to be applied to special works of local improvement which would remain unexecuted but for grants from this Fund. This position is in accordance with the original intention and is perfectly consistent with the constitution of the Fund by means of virtual deductions from what is really State Revenue: The levy on Sugar may perhaps be regarded as a local one, but not that on Excise, Forest produce

Another objection the possible frittle

fattening of Grants for such
petty local works as
drinking water wells,
bathing ghauts, bridging
Nallas, clearing manure
pits &c. That the money
is properly spent will
depend wholly upon the
personal energy and
intelligent activity of
individual Deputy Com-
-missioners and this
unfortunately is a very
variable quantity. Moreover,
except Drinking water
wells, the others are more
or less not really necessary,
while the clearing of
manure pits should be
enforced, without resort
to these funds. If the
manure cannot be sold
what is more easy and
effectual than burning
it for in rural parts

we have dry manure
to deal with " Drinking
water wells are required
only in special localities,
we have already provided
a large No. we will
give more where really
wanted | Let us have a
list of requirements
and we will allot
funds accordingly X.

But I will not allot
funds at so much for
each District and expect
the Deputy Commissioner
to spend it on such
an elastic undefinite
programme as the
one proposed in the
Note seems to be.

In tracts which produce
the Sayar we have
already built the large
bridges at Bale Honnur
Belur and Hariharpur,
two more are wanted

across the Tunga and Bhadra, also a bridge at Hole Narsipur. It is for such large works we have to draw upon the Fund.

(Init.) K. S.

29.3.96.

Please put up with this Government of India letter No: 1209 dated 6th Jan 1874.

(Init.) T. R. A. T.

4.4.96.

Init. 2nd I.O. Comptroller dated C.S. 1.4.96

* not sent to me. It is reported to be not forthcoming among [illegible]

(Init.) T R A T

(7)
7

No 3105.

Hargreaves

~~12 Cl~~ Sl No iii 3 2 7 124½ 94

To

Secy

In connection with the Dewan's note on the proposal to make Grants in aid from Local Funds Gl and Dl Funds which you sent me with file No 88, please send me Govt of India despatch Foreign Department No 1209 dated 6th June 1874 and subsequent correspondence if any.

Please refer to printed proceedings of late, Chief Comr. dated 20. January 1877 No 181 & let me know if what is stated in para 4 in regard to Local Funds Gl is correct.

3 Besides the 3 items thereon shewn as credited to Local Funds GL are there any other items.

It is said in the same para that

"The Sums credited to the head of Local Funds GL are held available to meet special Grants in aid made from time to time for local purposes".

what is the authority for this passage?

See also paras IV V VI VII & X of the rules published with notification No 110 Dy 4th July 1874. Have these been altered in any way? Is there any thing to shew that besides making grants to

District Committee for purposes mentioned in the Rules the balance of Local Funds GL can be spent for other than local purposes.

(Intd) T. R. A. J.
4. 4. 96.

I have kept the file dro 8 & with me pending reply to this reference.

(Intd) T. R. A. J.
4. 4. 96

8 15 8

The Dewan in his note dated 29th March 1896 says that "the Local Fund General has to be applied to Special works of local improvement which would remain unexecuted but for grants from this Fund. "X X X"
"Drinking water wells are required only in Special localities We have already provided a large number. We will give more where really wanted. Let us have a list of requirements and we will allot funds accordingly.

Please write at once to each District and ask for lists of works of the kind above referred to (I and II) and what special grants are needed for 1896/9.

(Initialled.) J. R. A. J.
4/4/96.

(9) 9 Sl 5 in L. F 124½ 894

1st Councillors orders.

(1) Please send me Government of India Despatch No 1209 dated 6 June 1874 and subsequent correspondence if any.

(2). Please refer to printed proceedings of late Chief Commissioners dated 22nd January 77. No 181 and let me know if what is stated in para 4 in regard to Local Fund General is correct

X in file No 124½ of 94.

Reply.

(1) India Despatch No 1209 dated 6th June 1874 is put up. Subsequent papers are in the file, but complete correspondence thereon Records failed to trace.

2) It appears to be correct. Please see para 10 of Chief Commissioners Circular No 42/14-10 R 21. dated 14th November 1871. and also the concluding portion of Chief Commissioners letter to Government of India No 13/21 47R dated 13th June 1871.

Reply from Government of India and other correspondence are not traceble in the General Records.

(3.) Besides the 3 items therein shewn as credited to Local Fund General are there any other items

3. None.

1st Councillor's orders.

(4.) What is the authority for the statement.

"The sums credited to the head of Local Funds General are held available to meet special grants-in-aid from time to time for local purposes?

Reply.

(4.) Please see letter No. 4274/R21 dated 14th November 1871 and also letters to India No. 1321/47R. dated 13th June 1871.

(5.) Have paras IV. V. VI VII & X of the rules published with Notification No. 110. dated 4th July 1874 been altered in any way?

(5.) They have not been altered as far as the available information goes, except in the case of rate of cess, which is now one anna in all Talukas of the surveyed or unsurveyed.

(6.) Is there anything to show besides making grants to District Committees for purposes mentioned in the Rules, the balance of Local Fund General can be spent for other than local purposes?

(6.) Works of general character such as the establishment of model farms may be executed out of Local Fund General? Please see concluding sentence of letter to India dated 13th June 1871. No. 1321/47R.

GK

(70) (10) sl 5½ mi L-F 124½ 394

Under the Sanction of Government of India conveyed in P.D. Letters Nos 213 and 372 dated 1st June and 31st October 1871, the Borough Tax was abolished and local Cess levied in its stead

Sir R. Meade in his letter to Government of India — No 252R dated 4.2.71 fully explained the object of levying the Cess i.e. for the construction and repair of roads, Educational purposes and such other local objects as may be deemed necessary

In a subsequent letter to India Sir R Meade (No 26) wrote as follows: —

" It is intended that the funds raised from the Cess in question should be Strictly applied to the improvement of

of the Districts within which they are levied, that there can be no doubt that in some of the more sparsely populated and backward Talukas, in which perhaps the greatest necessity exists for a liberal expenditure for local works and purposes, the amount of funds realized from the Cess will be quite unequal to the requirements of such Talukas. Should the Chief Commissioner's proposals as set forth in this letter be Sanctioned by H.E. in Council, the proceeds of the Cess on the Sayer collections or betel-nut and abkari and toddy income would provide the means of supplementing where necessary the local revenues of

of such salts and of meeting the cost of other much required local works of a general character such as the establishment of Industrial Model Farms which are very much needed in connection with the efforts as are being made for the improvement of the agriculture throughout the Province

The above expressly lays down the object with which the local Fund Scheme was constructed, but as there seems to be some difference of opinion on the point it is desirable to have the principal Correspondence as per annexed list printed. The Secretary will please have the papers printed as early as possible and 3 copies sent to me -

(Init) J. R. A. T.
21 May 1896

1. Letter to India (Serial No 9) with 2 encls.
2. Telegram from India and reply thereto (Serial Nos 13 and 14)
3. From India Nos 213 and 372 dated 1st June and 24th October 71
4. Reply to India 13th June 1871 No 1321/47R (S. No 15)
5. To India 13th Feby 73 No 6434/169 (S. No 26)
6. From India No 1209 dated 6th June 74
7. To India 3023/694 dated 22 July 74 (S. No 29)

H2-11

19

Yes. I may take this opportunity, of suggesting that Special grants from L.F. General may be made to each District annually as was done prior to 1895 now that there is a separate agency for executing works undertaken by the Rev Dobitt there is every guarantee for the money being spent usefully.

Ins. I.T.R.A.T.
13.8.97

Submitted to Dewan
(Ins) C.S.
14.8.97

The application is for grants from L.F. General for Village Roads and Coffee Estate Roads. These are purely local works for the aid of which the fund in question, by the terms of

of its constitution cannot be made available.

(Intls) K.S.
19.9.97

Submitted to 1st Councillor

(Intls) C.S.
20.9.97

I would like to see the terms of the Constitution of L.F. General referred to by the Dewan. In para 5, the Dy Commissioner says these roads are intended to connect important villages with main roads and thereby promote communication generally. If so I am not sure whether the grant cannot be made from L.F. Genl. Please let me see the terms of the order constituting Local Fund General

(Intls) J.R.A.J.
20.9.1897

GK

CORRESPONDENCE ON THE SUBJECT OF LOCAL CESS.

Letter from the Secretary to the Chief Commissioner in Mysore, to the Secretary to the Government of India, Foreign Department, General No. 3892—252 R. (1870-71) dated, Coonghal, 4th February, 1871

I have the honor by direction of the Chief Commissioner of Mysore, to forward the enclosed copies of correspondence as per margin on the subject of the imposition of a new rate of Local Fund Cess in the unsurveyed taluks of Mysore in substitution of the present Plough Tax Cess, and to submit Colonel Meade's views thereon, as follows for the consideration and orders of His Excellency the Viceroy and Governor General in Council.

From Superintendent, Nagar Division, No. 185, dated 11th April 1870
From Survey and Settlement Commissioner's, No. 312, dated 25th April 1870.

2. Under the terms of the Mysore Survey and Settlement Guarantee, a Local Fund Cess or one anna on the rupee or 6¼ per cent is levied in addition to the survey assessment on Government lands and on the survey valuation, on the recorded value of inam lands in all settled taluks for the construction and repair of roads, educational purposes, and such other local objects as may be deen ed necessary; and, when the settlement of the whole province is completed, the amount available from this cess will be an adequate provision for the objects for which it is destined.

3. But up to the present time only six taluks out of a total of 83 have been settled and as the only Local Fund Cess levied in the unsettled taluks is the Plough Tax in Government lands imposed as shown in the margin and a rate of one per cent on the recorded value of inam holdings which realized altogether during the past year the comparatively small sum of Rs. 78,000, it has for some time past been felt that the application of the survey rates of Local Fund Cess in a modified form, to the unsettled taluks is urgently needed, to meet the requirements of the latter generally in this matter.

		As
On ploughs each annually.	In towns	6
	Kasbas	4
	Large villages	3
	Small do ...	2

4. The subject has been brought forward by the Superintendent of Nagar and the Survey Commissioner in the correspondence of which copies are submitted herewith, both of them proposing the abolition of the Plough Tax and the substitution of a cess levied as under the Survey Guarantee, which the Superintendent suggests, should be fixed at half an anna and the Commissioner at one anna in the rupee of the assessment on land and of the amount of sayer collection.

5. The question appearing to the Chief Commissioner to be one requiring careful enquiry and consideration, he deemed it advisable to defer taking any definite action on it until full time and opportunity had been afforded for this purpose.

6. The proposal has not been universally concurred in by the principal officers serving under this administration, but the great preponderance of opinion is strongly in favor of its adoption; and as Colonel Meade after full enquiry and personal communication with the Superintendent of Nagar and the Survey Commissioner entirely shares the views of these officers as to the objectionable character and inefficiency of the Plough Tax, as at present levied and the urgent necessity that exists for a large increase to the amount of Local Funds now available for the purposes for which they are so greatly needed, he recommends that the adoption of the modified measure proposed by the Superintendent of Nagar be authorized by His Excellency in Council, *viz.*, that the collection of the Local Fund Cess known as Plough Tax be abolished throughout the province, and that in lieu of it a Local Fund Cess at the rate of half an anna on the rupee of the assessment on Government lands and of the recorded value of inam holdings, and of the collections under the head of "Sayer" including the halat on coffee and supari (betel-nut) be levied in all the unsettled taluks in Mysore, the said arrangement continuing and determining on the completion of the settlement in any taluk when the provision of the Survey Guarantee come in to operation therein.

7. The levy of the Local Fund Cess under the Survey Guarantee having been already provided for in that instrument, and having been for sometime past in operation in accordance with its provisions, the Chief Commissioner sees no necessity for extending the Bombay Local Fund Act (III of 1869) to the province as suggested by Colonel Anderson; but he proposes with the sanction of His Excellency in Council, to add the imposition of the cess on "Sayer" collections to the provisions of the guarantee under this head and he is disposed to think that it might with advantage be also extended to abkari and toddy farms and contracts.

8. I am directed, in conclusion, to add that Colonel Meade does not advocate the imposition of the survey rate of Local Fund Cess in the unsettled taluks of Mysore, because the assessment as at present levied in them is most unequal, and it appears to him that, without the benefits of the survey settlement, such a high rate would probably operate with hardship in some cases.

Should this proposal meet with the approval of His Excellency in Council, Colonel Meade proposes that it shall come into operation from the beginning of 1871-72.

Telegram from H. L. P. Wynne, Esq., Under-Secretary to the Government of India, Foreign Department, Calcutta, to Colonel Meade, Bangalore, No. 130 R., dated, Calcutta, 15th March 1871.

Your letter of 4th February last—Please give clue to correspondence regarding Plough Tax and Local Fund Cess therein referred to.

Letter from the Secretary to the Chief Commissioner of Mysore, to the Secretary, Government of India, Foreign Department, No. 1321—17R., dated, Mysore Chief Commissioner's office, 13th June 1871.

I have the honour, by direction of the Chief Commissioner, to acknowledge your letter No. 213 R., dated 1st instant, conveying the orders of His Excellency the Viceroy and Governor General in Council on the proposed imposition of a new rate of Local Fund Cess in the unsurveyed taluks of Mysore, and to report as follows on the points referred to in paras 2 and 3 on which further information is required.

2. The proposal to impose the cess on the "Sayer" collections was made in accordance with the principle understood to be contemplated in the Bombay Act III of 1869, Section 6 of which directs the levy from every farmer of "Sayer" Revenue, of a cess not exceeding one anna on every rupee payable by such farmer in respect of such farm. The "Halat" or Excise duty on coffee is levied in lieu of land tax, no rent being realized by Government from the lands on which coffee is cultivated in Mysore. The Excise duty on betel-nut is strictly a "Sayer" duty, the gardens in which this product is grown paying the ordinary Government rent fixed on that class of land. The amount of collections under either head for the past year or 1869-70 is given in the margin.

	Rs.	a.	p.
Halat on coffee ...	66,978	13	3
Halat on betel-nut	5,42,529	0	2

The "Sayer" collections referred to in para 7 of this office letter No. 5595—252 R., dated 4th February last, are the same as those mentioned in para 6 of that letter, and further explained above.

3. With respect to the point noticed in para 3 of your letter under reply, I am directed to state that the character of the toddy contract in this province appeared to the Chief Commissioner to justify the application to it of the Local Fund Cess equally with the "Halat" on coffee. Under the Revenue Survey Rules the date trees (from which toddy is drawn) on all occupied lands which have hitherto been reserved as Government trees will all become the property of the occupiers of such lands, and the toddy farmers will be wholly dependent on the groves of this tree reserved by Government, which abound all over the country. No land tax is leviable on the land occupied by such groves, and the toddy revenue may fairly be regarded as a substitute for such tax. It is true that the imposition of a Local Fund Cess on toddy contracts will really result in a diminution *pro tanto* of the Government revenue realized from such contracts, as the contractors will doubtless reduce their bids for the latter by the aggregate amount of the cess in each case, but the Chief Commissioner ventures to think that the cess should nevertheless be levied and credited to the Local Funds.

4. The case of the abkari revenue has no such special grounds on which the imposition of a Local Fund Cess on the amount realized from it can be advocated,

but looking at the objects of the establishment of Local Funds and the very important relief they will afford to the public revenue in various *ways in this State, Colonel Meade is of opinion that the levy of the cess in question in the case of abkarias well as toddy revenue, is a measure deserving of consideration, and he begs most respectfully to recommend its being sanctioned—for a term of three years at least as an experiment, by which time the Local Funds arrangements throughout the country will it is hoped, be in fair working order.

*Such as roads, educational charges, staging bangalos, musafirkhanas, dispensaries, hospitals, &c., &c., the outlay on all of which, with the exception of roads, has hitherto been wholly defrayed from the Government revenue, while many roads that will now be transferred to the Local Fund have also been constructed at the charge of the public revenue.

5. I am to submit, in conclusion, that there is one other point in connection with this subject that appears to be worthy of consideration. It is intended that the funds raised from the cess in question shall be strictly applied to the improvement of the districts within which they are levied. But there can be no doubt that, in some of the more sparsely populated and backward taluks in which perhaps the greatest necessity exists for a liberal expenditure for local works and purposes, the amount of funds realized from the cess will be quite unequal to the requirements of such taluks. Should the Chief Commissioner's proposals, as set forth in this letter, be sanctioned by His Excellency in Council, the proceeds of the cess on the sayer collections on betel-nut and abkari and toddy income would provide the means of supplementing, where necessary, the local revenues of such taluks, and of meeting the cost of other much required local works of a general character, such as the establishment of Industrial model farms, which are very urgently needed in connection with the efforts that are being made for the improvement of agriculture throughout the province

Letter from the Secretary to the Chief Commissioner in Mysore, to the Secretary to the Government of India, Foreign Department, No. 6434—189 R, Mysore Chief Commissioner's office, dated Camp Coonghal, 13th February 1873.

I am directed to forward for the sanction of His Excellency the Viceroy and Governor General in Council a Code of Rules for the establishment of Local Committees for the administration of Local Funds in Mysore which the Chief Commissioner desires to introduce with effect from the 1st April next, if approved by His Excellency in Council.

2. These rules have been framed in accordance with the provisions of Section 12 of the Bombay Local Funds Act (III of 1869) with the general concurrence of all the principal Revenue Officers of the Province, but as the said Act has not been extended to Mysore, Colonel Meade thinks it advisable to obtain for them before publication, the formal sanction of His Excellency in Council.

3. The great object of the rules is (1) to ensure the expenditure locally of the Local Funds raised in the province under the sanction of properly constituted and responsible Local Committees and (2) to systematise the administration of these funds, so as to admit of their outlay being carried on under due check and on a definite plan.

4. It may be hoped too that the association of a certain number of non-official landholders with the committees will give popularity to their proceedings, and prove beneficial in other ways, it being obviously very desirable to establish, if possible, a general feeling of interest in the administration of funds of this class.

Letter from the Under-Secretary to the Government of India, Foreign Department, General, to the Chief Commissioner of Mysore, No. 1209 G., dated, Fort William, the 6th June 1874.

In returning the amended draft rules for the establishment of Local Committees for the administration of Local Funds in Mysore, forwarded with your demi-official, dated 16th April last, I am directed to state that His Excellency the Viceroy and Governor General in Council sanctions those rules with the alterations noted below :—

In Rule III the sentence beginning with " In such name and ending with purposes of those rules " has been struck out.

In the second paragraph of Rule VI the words " as already described " appear superfluous and have been expunged.

A slight alteration has also been made in the concluding portion of Rule X.

In Rule XII the allusion to Rule XX should be omitted.

NOTIFICATION BY THE CHIEF COMMISSIONER OF MYSORE, GENERAL NO. 110, DATED THE 4th JULY 1874.

Under the authority conveyed in the despatch from the Foreign Office, noted in the margin, the following Rules for the establishment of Local Committees for the administration of Local Funds in Mysore, which have been sanctioned by His Excellency the Viceroy and Governor General in Council, will come into operation in the province on and from the 1st September next, and the requisite measures will be taken in the interim for the formation by that date of the Committee in each district.

No. 1209, dated 6th June 1874.

2. With reference to the provisions in Section VI of the Rules for the assignment of a minimum proportion of the Local Fund Cess for educational purposes, no change will be at present made in the existing allotment for this purpose, *viz.*, 24 per cent of the total realizations from the cess.

Rules for the Establishment of Local Committees for the Administration of Local Funds in Mysore.

I. A District Committee shall be formed in each district in Mysore for the administration of the Local Funds levied within such district, and placed at the disposal of such committee, and shall consist of—

1. The Deputy Commissioner—President.
2. The Assistant Commissioner at district head-quarters.
3. The Assistant Commissioners in charge of sub-divisions.
4. The Executive Engineer.
5. The Amildars of the talúks comprised within the district.
   The above are to be *ex-officio* members.
6. An *inamdar* or holder of an alienated village in the district to be elected as provided for in Rule XIX by the holders of alienated villages in the district.
7. Six proprietors or holders of land to be appointed by the Commissioner of the division.

II. Any member of a District Committee may be removed by the Chief Commissioner.

III. Each District Committee shall sue and be sued in the name of the President by the description of the "President of the District Committee for the Local Funds of the district of ". In such name so described the Committee shall be competent to hold property movable and immovable to convey the same and to enter into all necessary contracts for the purposes of these rules.

Any deed, contract or instrument so made on behalf of the said committee, shall be executed by the President of the Committee.

IV. The Local Funds at the disposal of a District Committee shall include the proceeds of the one anna cess in settled and the half anna cess in unsettled talúks on every rupee of land revenue, and such other funds as Government may be pleased to make over to such committee for the purposes of these rules.

V. The duties of a District Committee shall be to ascertain and, subject to the provisions of Rule VI following, to provide, so far as the means at its disposal will allow, for the requirements of the district with respect to works and undertakings calculated to promote the public health and convenience, such as hospitals, dispensaries, roads, dharmasalas, markets and wells, and other works for improving the water-supply.

VI. The funds at the disposal of a District Committee shall be spent exclusively in the taluk in which they are collected. One-fifth of the Local Fund Cesses as already described shall always be assigned to the Educational Department for expenditure in the taluk in which the same is levied, and the remainder shall be spent exclusively upon roads and communications and works subordinate thereto, *i. e.*, dharmasalas or rest houses, road-side water-supply, and the plantation of road-side avenues of trees, and in aid of the establishment of charitable dispensaries. Provided, however, that an exception to this rule may be made in the case of communications connecting adjacent talúks, and that the proportion allotted to education may be altered at any time by the Chief Commissioner.

VII. A District Committee shall be subordinate to, and under the control of, the Commissioner of the division, who may in the exercise of such control, order any expenditure on special objects of the nature above described from funds that may not have been appropriated by the District Committee under Rule X, or from savings in the funds appropriated.

VIII. On or before the 1st September in each year, the taluk Amildars shall prepare and submit to the District Committees to which they are respectively subordinate, a statement of projects, with estimates for the same, which may be proposed to be executed in the year commencing 1st April following

IX. The Deputy Commissioner as President of the District Committee shall annually, on or before the 1st October, prepare a statement showing the estimated revenue on account of Local Funds for the ensuing year commencing 1st April following, and this statement, together with the proposals and estimates required in the preceding rule, shall be laid before the District Committee at a meeting to be convened by the President on or about the 1st October of each year at a place named by him, fifteen days' notice of such intended meeting being given

X. The District Committee shall decide at the meeting provided for in Rule IX, what local works and repairs and what other works of general utility to the district, whether those proposed by the taluk Amildars or others, shall be undertaken, and shall cause a general list to be prepared showing the amount proposed to be expended on each work. The statement of estimated receipts, and the list of proposed works thus adopted by the District Committee, shall be forwarded through the Commissioner of the division for submission to and approval and transmission for the sanction of the Chief Commissioner

XI. The vote of the majority of the members present at a meeting of a District Committee shall decide all questions before such meeting. In the event of an equal division of votes, the President shall have a casting vote. The proceedings of every meeting shall be drawn up at the time and signed by the President, and a copy forwarded through the Commissioner of the division for the information of the Chief Commissioner. No business shall be transacted unless at least three members including the President are present. In the absence of the President, one of the members shall be elected President of the meeting by the members present.

XII. For the despatch of the current work of a general nature, and for the disposal of any other business which may be brought forward by the President or any other member, a District Committee shall hold meetings at least twice a year besides those provided for in Rules VIII, IX, XX, and XXI, on or about such dates as may be fixed by the Chief Commissioner

The President of a District Committee is, however, competent to call a special meeting of the committee at any time by issuing a notice of not less than fifteen days to the members to that effect.

XIII. The President of a District Committee may give out to be executed by contract, local fund works, whose estimated cost does not exceed Rs. 3,000 each. But for works exceeding that amount, the power of granting contracts therefor shall vest in the Commissioner of the division.

XIV A District Committee shall be competent to entertain what temporary establishments may seem to it necessary for the execution of local fund works sanctioned in the district. But it shall not be competent to create any permanent new appointments without the previous sanction of the Commissioner of the division.

XV No disbursements whatever shall be made from the Local Funds by way of remuneration to any persons employed in any Government establishment without the sanction of the Chief Commissioner previously obtained through the Commissioner of the division. And no new appointment shall be created in any Government office at the expense of Local Funds without similar sanction. The establishment of Overseers and other officers in the Department of Public Works does not come within the scope of this Rule.

XVI. In districts where a Local Fund Engineer has been or may hereafter be sanctioned, the appointment and dismissal of this officer will rest with the Commissioner of the division, but subject to the confirmation in either case of the Chief Commissioner.

XVII. All appointments in the Correspondence, Accounts and Public Works Department under a District Committee shall be made by such committee, subject to the veto of the President of that committee. Where the President may record his veto, the case shall be submitted with reasons for the final decision of the Commissioner of the Division.

XVIII. No servant of a District Committee drawing more than Rs. 50 a month shall be dismissed without the consent, in meeting assembled, of the majority of the District Committee. The President of a District Committee shall be competent to suspend any such servant for misconduct or negligence, pending the question of his dismissal being submitted which shall be done with as little delay as possible, to the District Committee. The President of a District Committee shall, however, be competent to dismiss summarily any servant of the committee drawing Rs. 50 or less a month.

XIX. The election of *inamdars* as members for a District Committee shall be conducted as follows:—

The President of the District Committee shall forward a notice to every *inamdar* in the district entered in the Government books as the owner of an alienated village) or, in his absence, to his manager or agent, requiring the *inamdar* before a fixed date, which shall not be earlier than one month from the date of the notice, to elect an *inamdar* of the District as a member for the District Committee. The electors shall give their votes in writing to be delivered by post or otherwise to the President of the District Committee before the date fixed. The person who shall have received the largest number of votes shall (unless the Chief Commissioner sees sufficient reason for excluding him) be declared elected, and his name shall be forwarded by the President for insertion in the Local Gazette. In the event of the *inamdars* not making a return by the time specified in the notice, the Deputy Commissioner shall appoint.

XX. A detailed report of the Local Funds Administration in each taluk shall be annually submitted by the Amildar of such taluk to the President of the District Committee in or about the 1st week in April.

The report shall explain what was done during the year under review, or what may be required in future.

XXI. The President of the District Committee shall, after receiving the reports provided for in Rule XX preceding, compile a concise report of the general Administration of the Local Funds of his district, and this report, after being discussed at a general meeting of the District Committee to be convened before the end of April in each year, shall be forwarded for submission to the Chief Commissioner through the Commissioner of the Division. This report shall include a statement of the year's receipts and disbursements.

XXII. The Chief Commissioner may frame such further Rules, not inconsistent with these Rules, for the guidance of District Committees, as he may from time to time deem necessary. Provided that nothing in the foregoing Rules shall be held to modify or interfere with the existing control exercised by the Chief Commissioner over the Local Funds of the province.

From H. Wheeler, Esq., Offg. Secretary and Chief Commissioner in Mysore to the Under-Secretary to the Government of India, Foreign Department No. 3020—69 G., dated Bangalore, dated 22nd July 1874.

In advertance to your letter No. 1200 G., dated 5th ultimo, I am directed by the Chief Commissioner to forward for the information of His Excellency the Viceroy and Governor General in Council a printed copy of the Chief Commissioner's Notification giving publicity to the Rules as amended by the Supreme Government for the establishment of Local Committees for the Administration of Local Funds in Mysore.

23/19

Note in re
purpose of Local Funds General

The distinction between District Fund and Local Fund General does not appear to have been contemplated till the year 1871 when in his letter to the Government of India (No. 1321-47/Rd/13th June 1871), the Chief Commissioner proposed that the proceeds of the cess on the sayer on betel-nuts and abkari and toddy revenue should, when sanctioned by the Government of India, be utilized for supplementing, where necessary, the local revenues of [the more sparsely populated and backward] Taluks

Taluks and meeting the
cost of other much required
local works of a general
character, such as, the
establishment of Industrial
model farms." This is the
first mention in the
literature of the subject
of the fund subsequently
called Local Fund General.

2. The Government
of India in conveying
sanction to the proposals
made by the Chief Com-
missioners, do not seem
apparently to have kept
the distinction in view,
as they speak of the entire
proceeds of the local cess
(both on land revenue and
on salt, abkari &c) being
credited to Local Funds
and expended on local
improvements

improvements (vide letter No. 372 R dy 24th October 1871).

3. The Chief Commissioner, however in his circular to Division Superintendents No. 4274-6/R21 dy 14th November 1871 definitely distinguishes between the purposes to which the twin funds under reference are henceforth applicable — the local cess on the halat on coffee and cardamoms being, along with that on land assessment expended locally, while the proceeds from the halat on betel nut and from abkari collections was to be deposited as a Lefa'o general fund in the books of the Deputy Accountant General for expenditure under the

the Chief Commissioner's
Orders in any part of the
province in which such
Special assistance appears to be
required (vide Chief
Commissioner's Proceedings
No. 2081-R 62 d/ 24th July 1875).

4. This circular is the
standing order on the
subject of Local Funds
General. The following
extract from the Chief
Commissioners Proceedings
No. 181 d/ 22nd January 1877
also defines the purpose
of the fund. "The sums
credited to the head 'Local
Funds General' are held
available to meet special
grants-in-aid made from
time to time for local purposes
under the authority of the
Chief Commissioner."

5. There is nothing throwing light on the character of the fund in the subsequent orders and Proceedings of Government except that in disposing of applications from Deputy Commissioners for grants to be expended in Municipalities, Government declined to allow — expenditure from Local Funds | General, unless the works proposed were useful to the general public (Proceedings No. 6591-60 dd/ 10th September 1891, L 451

(Initialed) K.S.C.
12-11-97

Submitted to 1st Councillor.
(Init.) C.S.
12.11.97

There is nothing in these papers to induce me

me to alter the view I have
expressed in my note
d/ 20th September 1897. But
as the Dewan is of opinion
that the works for which
the Kadur Deputy Commissioner
wants a grant from Local
Funds General are pure
local works for the aid
of which the Local Funds
General cannot be made
available, I defer to his
opinion. Let a reply be
sent to the Deputy —
Commissioner in terms
of Dewan's note.

(Init.) T.R.A.T.

12. 11. 97

BL

26 47-14

1st Correction note D/12-11-97

on Sl 30 in L. F. 66/97

There is nothing in these papers to ~~make~~ manee me to alter the view I have expressed in my note D/ 20-9-97. But as the Dewan is of opinion that the works for which Kader D/ Coms wants a grant from L. F. Fd are pure local works for the aid of which L. F. Fd cannot be made available. I defer to his opinion Let a reply be sent to the D/ Coms in terms of Dewan's note dated 19-9-97. Entd/ T. R. A. T. 12-11-97

27 | 1676 | 1676 offic draft on

H Councillor's note on Hadas

Dy Comrs | application for

a grant of | Rs 10000 for

drinking water wells in

Sl etc 11 in | Tele etc 2998.

Good drinking

water wells are of utmost

importance | and essential

for the improvement of

sanitation | and health of

the villages. I would

sanction this grant Place

the matter | before the Dewa

if the available funds cannot

be spent for better purposes

| Initd | P. Sr. R.

2/4·7·19

Please see my note

on D. P. W Budget and

orders thereon. Is it not

far better to do the big

bridge programme than to

spend upon such petty
works especially in Districts
which pay next to
nothing to L. F. General,
which nevertheless gets more
spent upon bridges from
L. F. Fd than any other Dist

/Initd/ K. S.

3.8.98.

(16)

Slbm L-72 of 98 28 46

Dewan's orders on bridge works dated 17th July 1898.

I agree that these eight bridges are all important ones which we should undertake in the near future as funds become available. The question of priority among these requires further consideration in communication with the District Officers.

2. We are applying the Local Fund General to provide the latter bridges required throughout the State. Abreau, Hole Narsipur and Tadasa bridges are being built from this fund. We should adopt the same policy as regards the bridges in this list. The first three bridges

in

in this list as well as a bridge
across the Lokapavani are
entered in this year's Budget
as Nos. 217. 219. 225 and 226 and
in the orders in this Budget
I am providing funds for
them from Local Funds
General.

(3) The Thirthahalli Bridge
is more important than
the Anjur and Hagumoi
bridges (Nos. 226 and 225 in
Budget) and we should start
it soon.

(4.) Please communicate
with Deputy Commissioners
with the object of deciding
what larger bridges we
should provide say within
the next 10 years and in what
order we should undertake
them. Government desire
to adopt a definite pro-
gramme of bridge building

to

89

to be executed out of Local Funds General in the order of priority of the claims of the various Districts for improved communication.

(Initialled) K. S

17/7/98.

Ed

(17)

Sl. 4 ni L. F 2898

1896 Memo 47 D. B. i

The final D.B.W Budget for 1897-98 contains under District Funds the following as debitable to Local Funds General

No.	Name of work	Estimate	Outlay to end of 1896-97	Grant for 1897-98 from L.F. Genl.
348	Hale Narsipur Bridge	107542	15963	75000
359	Jadala Bridge	141506	36358	50000
360	Babalendan b'Road	15627	13649	15627
361	Koppa-Badagekoad	4276	550	3476
330	Chennagiri-Male-bennur road	3200		3200
	Total Grants from L.F. Genl.			147303

The total Grant from Distt. Funds under communications original as No 114997. To this should be added the grants from Local Funds General aggregating Rs 147303 in order to arrive at our total expenditure on communications chargeable to Distt. Funds.

The Budget shows provision for a total outlay of Rs 3,40,089 from various sources such as Provincial Funds District Funds &c but does not show the Rs 147303 from Local Funds General.

It is desirable in every way that the Budget should embrace the whole work of

of the Department from whatever source the funds may be obtained.

There are two ways of doing this as regards Grants from Local Funds General - either to add another section from this fund as is done for the other funds - or to treat the Grants as Grants-in-aid. The former would be the more correct course to follow, and adopting it, the statement at page 7 should contain under "Public works to be executed by Public works Department" against Local Funds General the entry of Rs 147,303.

A special Column in the abstract at pages 2 & 3 for Local Funds General would be necessary and a special page for the works from the Funds in Part I (original works).

The above plan should be adopted in future.

Turning now to the Preliminary Budget for the current year 1898-99

The Local Funds General should provide funds required

21

Required to finish the work enumerated on the last page Rs 20000 for the Vaze Narayan Bridge and about Rs 50000 for Jadasar Bridge - total Rs 70000 already sanctioned on 28th May 1898

The Local Funds General should in addition bear one Cost of the following works

No	Name of work	Amount of estimate	Grant for 1898-99.
217	Kankavalli Bridge	90000	5000
219	Lokapravani Bridge		5000
225	Malgundi Bridge	10945	5000
226	Anjur Bridge		5000
		Total Rs	30000.

This would relieve the "Special Grant" from Provincial of Rs 30000. In lieu I would transfer the "Additions and improvements to the Fort Hill Palace Catacumnud" from Palace Fund to Provincial Fund Special Grant with an allotment of Rs 30000

(Initd) K. S.
17-7-98

32

Secy's ~~note~~ Dy | 28-9-98

Submitted to 2nd Councillor

The Dy | Comr Kadur asks for a reconsideration of the order declining to sanction a grant from L. F. Gl for well works in his District

| Intd | C.S.

2 Councillor's order Dy 24/11/98

A sudden stoppage of the grants which we trust used to make very liberally heretofore for such works as sure to be attended with much inconvenience and disappointment. I would as a special case sanction this proposal of the Dy Comr, that is sanction for Rs 85·00 for wells.

| Intd | P. Cr. M

To Devan

Sntd to Devan

| Intd | C.S.

25/11/9

(1) The sanction as above may be given in this particular case as an exception to the general Rule.

(2) If drinking waters wells must be provided for from L. F. General, we must adopt some definite scale of annual amounts for each District with reference to what it contributes to the Fund. If we examine the nature of the Receipts of the fund, we will find very good reason for spending them for general purposes and not for local ones, which latter should be provided for from District Local Funds. I think we should

should have a definite
notice. Let us discuss
the question once for all
and adopt some
intelligible plan

(3) Grants for drinking
water wells from L. T. Fd.
are of very recent origin
and the longer we allow
them the more difficult
it will be to stop them
hereafter. [Initd] K. G.

Secy

I had got the Head Shr.
to prepare some years ago
a memo regarding the
constitution of L. T. General
classification of its receipts
object of the fund. Such
a memo with my and
Councillor's later remarks on
the subject should be

d and circulated

to Councillors.

Send me a copy

[Initd] K.S.

5/1/99

Secy's order of 6/1/99

Please draft special sanction at once and submit it to the 2° Councillor for personal with the note by the Dewan before issue.

And then search for and let me see the memo and remarks referred to by the Dewan as quickly as possible.

[Initd] C.S.

Sir

A collection of notes by the Dewan and Councillors in regard to L. T. El as far as they can be traced in the files of this Branch is put up separately.

May this be submitted to the Hon'ble Secretary for his memo being put up and the case submitted

Sir

Please see the case of Rahat in the note of Dewan & Councillors & put up as quickly as possible &

19-1-99

Urgent

S. M. P.

Put up the files called for by me.

Noted with thanks. Please put up the application referred to by the Dewan & Councillors as quickly as possible.

Noted

264

Sir.

The Dewan's note of 3 August 1898 was submitted to the Mr Councillor Eastern Division as directed by the Secy on 10/8/98 on el 79 and the file with note "file 13.8.9 239 was made by the Personal clerk or some body else in the Councillor's precedence.

The Councillor passed his orders on el 79 (first up on this table) Pr 22/7/98, and the were embodied in Govt Pro el 2347.8 2432.98 by 19/8/98 (el 11)

Submitted Sing
Pool
22/9/98-29/9/98

Sealed & Dd

The Dy Comr Kadapa seeks for a reconsideration of the order declining to sanction a grant from L.F. for all works in his District

28-9-98

I submit herewith the grants which I am pressed to make very liberally heretofore for such works is made the attended with much inconvenience I would as a special case sanction this proposal of the Dy Comr that is sanction for 8500 to be made

Dewan 24/11/98

Sealed to Record
25-11-98

The Sanctions as above may be given in this particular case as an exception to the general Rule—

Attended to Sing

2. If drinking water wells must be provided for from L. Fd funds, we must adopt some definite Scale of annual Amounts for each Dt with reference to what it contributes to the Fund. If we examine the nature of the Receipts of the fund, we will find

x x

Very great reason for
spending them for general
purposes & not for
local ones which latter
should be provided for from
the local funds - I think
we should have a definite
policy - let us discuss the
question once for all &
adopt some intelligible principle
Grants for drainage works
wells, from L.D. funds are
of very recent origin

3.

* A list of pending applications with full particulars submitted.
HR 15/5

Mr Thompson Joseph
Chairman Wadhwan
2/6/20

12/9/1920

Vide letter

and the engineer who alleged
the more difficult
it will be to stop them.
hereafter.

Yes I had got the Hon'ble
to have some years ago a
memo explaining the Committee
opinion i.e. for ... classification
of the receipts, object of the
funds - Such a memo
with any a Committee later
remarks on the subject
recent ... Committee ...
Committee ...
remove a clause

Printed 5-2-99

25

Mr Ramachandran is not here & shall be much obliged if Mr Ramaswamy Iyer can undertake the preparation of the memo required by the Dewan. C

23-1-99.

memo submitted BR 31/1/99

Mr Ramachandran

Have you any thing to add to this memo please C

2/2/99

CB
13 mins w/o
with the ref &
called for 2/2/99

Submitted -

I have no thing to add to the memo

2/2/99

The memo may be printed & circulated as ordered by Dewan

Two applications for grant (Shimoga & Kolar) are pending orders (Revd Murphy Swami & Jagannatha Chetty)

2/2/99

Please put the memo
referred to yesterday
Hospital - & send me
the fair proof for
approval &
BA.
11/2/99 11-2-99.

A copy of the fair
proof of the memo is
herewith submitted with
following applications for
grants from L. F. Fd

1. From Kolar Dt (in Gross 477
(2) — Shimoga - - - 12000
(3) — Bangalore — amount
not stated. The
usual grants are
applied for.
(4) — Kanara — 5000

Subs to Secretary 1502 5/2/99

Submitted to the
Hon'ble Secretary for information
in rly. to his memo. dtd. 2/3/99.
I prepared one
memo on
the subject to
L. F. Fee
Dt. 7/6 the
Dy. Secy
Dy. Secy
Dy. Secy

2 0 189 Govt

From

The Secy. to the Govt. of Mysore,
Genl. & Rev. Depts.

To The Supdt Govt Press

Dated 15th
Despatched February 1899
Received RL 1286

General No. 9485-99
L F No. 2.98

Enclosure No. one Memo

Has the Honour to forward herewith a Memo on L. J. General and to request that the same may be caused to be printed in Kally margin and 12 copies of the same forwarded to this office at a very early date.

By Order
RR
11/2/99
Secretary

Rg 11/2/99

Encl 6 VIII 79

Local Fund General

Previous to the year 1871, the entire realizations from the L.F. Cess formed one single Fund which, according to Chief Comm's Notn no 105 dt 10-6-71, was to be devoted "to the construction and repair of roads, to educational purposes and to such other local objects as might be deemed necessary. The separation of this single Fund into two distinct Funds was effected by the Chief Comm's Circular no $\frac{4274-6}{21}$ dt 14-11-71, which directed that the Local Cess on the Halat on Coffee and Cardamoms along with that on land assessment should be expended locally, while the proceeds from the Halat on betel-nut and four Abkari collections should be deposited as a separate ~~Local~~ General Fund for expenditure under the Chief Comm's orders in any part of the province in which such special assistance appears to be required.

× Page 137 of the Rev Manual of 1886.

2. The Chief Commr's Prot nº 181 dt 21-1-77 revised the items composing the L. F. General and the District Fund, as in the margin, and as regards the object of the former it was laid down that it should be "available to meet special grants-in-aid from time to time for local purposes under the authority of the Chief Commr."

	L. F. Rs	Village Scheme %
Cess on land Revenue	—	24
— Coffee Cultivation	—	24
— Cardamom	—	24
— Pepper	—	24
— Arecanut	—	24
— Sundries	—	24
	76	

	District Fund.
Cess on land Revenue	76 %
— Coffee Cultivation	76 %
— Cardamom	76
— Pepper	76
— Arecanut	76
— Sundries	—

Main items under Revenue Classification are 1. Forest-sales except Sandalwood
2. Salt Taxes
3. Salt Contracts
4 other items

3. Till the year 1891 ~~no strict principle seems to have been required~~ the grants from L. F. General do not seem to have been governed by any recognized principles, the grants having been made as occasions arose. In Prot nº 13680-9/Ai 288 dt 4-3-91, however, the Govt resolved to grant Rs 10,000 to each of the Distts for "any works of utility such as the excavation of wells for the use of men and cattle, construction of village Chavadis, bathing ghats, bridges over small nallas or streams &c" and the Dy Comrs were requested to submit statements of works. On the receipt of these Statements the funds were allotted in Govt Prot nº 6591-6600 dt 10-9-91 directing at the same time that the funds should not be

expended on municipalities unless the works proposed were useful to the general public.

4. Besides these "ordinary" grants for 1891-92, owing to the severe drought of that year special grants were made for expenditure on works Camp ℔ D dt 7-12-91

5. In 1892-93 a grant of Rs 15,000 to each distt was made from L.F.G. for the "excavation of wells for the use of men & cattle, construction of village Chavadis, bathing ghats, bridges over small nallahs &c As regards the grant for chitalroop it was observed - "the grant from L.F.G. is chiefly intended for the excavation of drinking-water wells & construction of mantapams and chavadis useful to travellers and villagers, and not for bridges and tunnels which must ordinarily be constructed from Distt Funds" A provision of Rs 3000/- made for large bridges & tunnels was struck out

6. Similarly for the year 1893-94 a grant of Rs 15,000 to each distt was made for similar purposes from L.F.G. Proc℔ ℔ 5760-68 / L.F. 88-93 dt 19-9-93.

7. In making a grant of Rs 73,000 to the various districts in 1894-95 (it was observed as follows - "It must be distinctly

Hon'ble Chentsal Rao

understood that no works within Municipal limits should be undertaken from these funds, nor can they be appropriated for roads which ought to be ordinarily executed from Distt Funds. The money should be appropriated chiefly for the excavation of drinking-water wells in rural parts, for constructing bathing ghats, bridges over nalas and such other special works as would promote sanitation and public convenience of the rural parts". Pro[c] no C - 19 / L-7.88-93 dy 4th October 1894.

8. On 24-9-94 the Dewan made the foll[g] note, which was circulated among the Councillors, regarding the nature & constitution of the Local Fund [illegible] &c.

Local Fund General.

This is an unfettered fund the disposal of which was left to the discretion of the Local Chief Commissioner. It was intended to enable the Chief Commissioner to grant such help to local Fund works as he might consider necessary

Our system of Taxation is now much simpler and I do not think any special reason now exists for having a separate Local Fund General

The Fund consists of 76% of realizations from Excise Sayer Sales of minor forest produce rent or sale pass tolls &c the remaining 24% goes to Education.

Except in Malnad where 76% goes to the L. Funds of the districts

From the nature of the items it will be seen that were Local Boards to assume the revenue to Government from them will be correspondingly increased, an annual grant to District Funds of Kadur and Shimoga and to Education will be necessary and this the Government

can join from its General Revenue.
In short what now constitute the receipts
of Local Fund General, are in reality
Government Revenue pure and simple
In most cases (except Excise) the one
anna per rupee is not a separate levy,
but is a deduction of 1/17th from the
Government Revenue realized.

It would simplify the accounts to
abolish the Local-Cess on the items above
named, and to fix the necessary provi-
-si-ons to Education &c to protect
Funds of Karkun and Mehtar from
General Revenue. The measure would
be otherwise also convenient — only if
we abolish the Chaukidari Levy on Excise
we will not probably realize the same
sum as 2 3/4 annas, and we will lose
Revenue Rs 2 5,000 a year from this source.
I do perhaps right that we should do this

(Subsidies) K.
24-7-74.

The Rev: Councillor the Hon'ble Mr P.
Chentsal Rau made the foll[g] remarks
on the ~~abo~~ note : ——— ——— ———

on principle, the Local Funds General should disappear. There is no principle in demanding a local cess on Abkari collections, and on Sayer duty. Financially we do not lose by the abolition of Local Funds General but we lose the benefit of a separate fund at our disposal for Local purposes. I do not think that the Deman will be as ready to make grants for Local purposes from Provincial Revenues as he would if a portion thereof is set apart for Local purposes on this ground alone I hesitate to recommend its abolition

(Sd) P. C
10.10.94

10. On 18-4-95 the 1st Councillor recorded his opinion as follows:-

I am also of opinion that the Local Funds General should be maintained as heretofore and utilized for general local purposes

Sd) F. R. A. T.
18.4.95

11. The question does not seem to have been pursued further

12. Applications having been received from the Districts, for the usual grants, in 1895-96 the 1st Councillor considered that there had not been a proper utilization of the grants made in previous years and remarked: noted di 21.8.95
"what is required to finish the incomplete works in Kolar & Chitaldroog Distts may be granted from L. F. Gs as was done lately in the case of Shimoga. As regards the other Distts, only such sums as may be actually req^d to push on the incomplete works of last year may be sanctioned. The Dewan ~~concurring~~ concurring, ordered that only grants for completion of incomplete works need be given. Note of 28-12-95

13. Thus the grants which were being freely given between the years 1891-92 and 1894-95 were stopped in 1895-96, the sums required for completing works undertaken out of the grants of previous years being alone sanctioned by a special order of Govt:

14 In March 1896 on a note of the Secretariat urging that a grant of a lakh of Rupees may be made from L. F. G^t on the ground that ~~the~~ the charges of road making and road maintenance absorbed a large—

proportion of the Distt Funds and left little for expenditure on small but important wks of rural convenience such as drinking water wells, cart tracks &c, the 1st Councillor slightly reduced the amount proposed to Rs 76,000 and hoped this would meet with the approval of the Dewan. The Dewan's note on the question of 29-3-96 was as follows:—

The Local Fund General is not intended to be distributed in this general way throughout the Entire Province, but has to be applied to special works of local improvement which would remain unexecuted but for grants from this Fund. This position is in accordance with the original intention and is perfectly consistent with the constitution of the Fund by means of mutual deductions from what is really State Revenue. The levy on bazar may perhaps be regarded as a local one, but not that on Excise — Forest

produce &c.

Another objection is the possible fritterring of grants for such petty local works as drinking water wells, bathing ghauts, bridging drains, clearing manure pits &c. That the money is properly spent will depend wholly upon the personal energy and intelligent activity of individual Deputy Commissioners and this unfortunately is a very variable quantity. Moreover, except Drinking water wells, the others are more or less not really necessary, while the clearing of manure pits should be enforced without resort to these funds. If the manure cannot be sold what is more easy and effectual than burning it. For in rural parts we have dry manure to deal with. "Drinking water wells" are required only in Special localities, we have already provided a large &c. we will give more where

really wanted. Let us have a list of requirements and we will allot funds accordingly.

But I will not allot funds at so much for each District and expect the Deputy Commissioner to spend it on such an elastic undefinite programme as the one proposed in the note seems to be

In tracts which produce the Sayar we have already built the large bridges at Bala Honnur, Belur and Harihar pur: two more are wanted across the Tunga and Bhadra, also a bridge at Kole Narsipur. It is for such large works we have to draw upon the Fund."

13. In 1897 an application having been made by the Dr Commr of Kadur for a grant from L. F. Fd. for certain Village Roads and coffee estate Roads the 1st Councillor supported the application on the following terms

"I may take this opportunity of supporting that special grants from L.F. Gl. may be made to each district annually as was done prior to 1895. Now that there is a separate agency for executing works undertaken by the Revenue Deptt there is every guarantee for the money being spent usefully" (note d/ 13-8-97).

16. The Dewan, however, made the following order:- "The application is for grants from L.F. General for village roads and coffee estate roads These are pure local works for the aid of which the funds in question, by the terms of its constitution, cannot be made available." (~~note~~ d/ 19-9-97).

17. On this note the 1st Councilor remarked- "I would like to see the terms of the Constitution of the L.F. Gl. In para 5 the Dy Comm^r says these roads are intended to connect important villages with main roads and thereby promote communication generally. If so, I am not so sure whether the grant cannot be made from L.F. General. Please let me see the terms of the order constituting the

Local Fund General" (note d/20-9-97)

18 The papers required and a note by the Secretariat having been put up the 1st Councillor observed as follows:— "There is nothing in these papers to induce me to alter the view I have expressed in my note d/ 20-9-97. But as the Dewan is of opinion that the works for which Kadur Dt Council want a grant from L.F. Gl are pure local works for the aid of which L.F. Gl Cannot be made available, I defer to his opinion. Let a reply be sent to the Dt Council in the terms of Dewans note d/ 19-9-97. (note d/ 12-11-97)

19 In 1898 the Dt Councils of Kadur and Mysore having applied for grants of 10,000 & 25,000 Rs respectively from L.F. Gl for drinking-water wells in their Distts, the 2nd Councillor supported the applications in the following terms:- "Good drinking-water wells are of the utmost importance and essential for the improvement

of sanitation and health of the villages. I would sanction this grant. Place the matter before the Dewan. The available funds cannot be spent for better purposes." (note dt 24.7.98)

20. The Dewan, however, observed "Please see my note on D.P.W. Budget and orders thereon. Is it not far better to do the big bridge programme than to spend upon such petty work, especially in districts which pay next to nothing to L.F.Fd and which nevertheless get more spent on bridges from L.F.Fd than any other District." (note dt 3.8.98).

[Extract from the Dewan's note on D.P.W.:—

"* * The Local Funds General should provide funds required to finish the works* enumerated on the last page (Rs 20,000 for the Hole Narsipur Bridge and about R. 50,000 for Tadasa Bridge) — total Rs 70,000 already sanctioned on 28th May 98. The L.F.Fd should in addition bear the cost of the following works.

	Amt of Estimate	Grant for 98-99
Kankanhalli Bridge	90,000	5000.
Lokapavani —	"	5000
Mazumdi —	109,450	15000
Anpur —	"	5000 "
	Total 30,000	

* * *

Extract from the Dewan's Order on Bridge works.

* * we are applying the L.F.Fd to provide

* Hole narsipur Bridge
Tadasa Bridge
Babalreden b'ks.
Koppa Bridge Rs.
Channagiri —
Melebennur Rs.

the larger bridges required throughout the State Already Holeyarsipur & Tadasa Bridges are being built from this Fund we should adopt the same policy as regards the bridges in this list. The first three bridges in this list as well as a bridge across the Lokapavani are entered in this year's Budget and I am providing funds for them from Local Funds General".

Arkavathi (Kankanhalli)
Hemavathi (Hagur)
Bhadra (Magundi)

21. Orders were accordingly issued declining to grant the funds applied for by the Commr of Mysore & Kadur. The latter officer having again pressed his request on the 2nd Councillor stated on the application - "A sudden stoppage of the grants which the Govt. used to make very liberally heretofore for such works is sure to be attended with much inconvenience and disappointment. I would as a special case sanction this proposal & the Dy Comr viz; Sanction Rs 8-5-00 for wells vide d/24-11-98.

In sanctioning the amount the Dewan observed as follows

1 The sanction as above may be given in this particular case as an exception to the general rule

2. If drinking water wells must be provided for from L.F. Gf we must adopt some definite scale of annual amounts for each district with reference to what it contributes to the Fund. If we examine the nature of the receipts of the Fund, we will see very good reason for spending them for general purposes and not for local ones, which latter should be provided for from Dist. local Funds. I think we should have ~~de~~ a definite policy. Let us discuss the question once for all and adopt some intelligible plan.

3. Grants for drinking water wells from L.F. Gf are of very recent origin, and the longer we allow them the more difficult it will be to stop them hereafter." (note of 5-1-99).

Other than the Circular orders of the Chief Commr referred to in the beginning of this note, there do not seem to be any definite Rules for the administration of the L.F. Gf. Nor does any uniform policy seem to have been followed as regards the grant of funds for works in the several districts, as will appear from the various orders passed by Govt: during the past several years.

BK.
31/1/99

189 29

812

From

The Secy. to the Govt. of Mysore,
Genl. & Rev. Depts.

To

The Superintendent
Govt Press.

Dated 4-3-99
Despatched
Received

General No. 10281 R
L F No. 2-98 L1392

Enclosure No.

In returning the final proof of the ellemo duly revised on L. F. General has the honor to request that he will be so good as to cause the necessary corrections to be made & 100 copies thereof to be printed and sent to this office as early as possible.

B. A.
3/3/99

For Secy.
3/3
2/3/99

Subt to Secretary

Mr Ramalan says he prepared no memo on the subject of L.F. Qs. It seems likely that the memo referred to by the Dewan as having been got up by the Hon'ble Sheriksden some years ago is the one which was prepared by Mr Narayana Iyengar in 1894 (sent up below) ①. May this draft issue. BR.
2/3/99 put file below

Subt 3/3/99

BR
3/3/99

① Subt 39 in

LOCAL FUNDS GENERAL.

Previous to the year 1871, the entire realizations from the Local Fund Cess formed one single fund which, according to Chief Commissioner's Notification No. 105, dated 10th June 1871, was to be devoted "to the construction and repair of roads, to educational purposes and to such other local objects as might be deemed necessary."

The separation of this single fund into two distinct funds was effected by the Chief Commissioner's Circular No. 4274-6—21, dated 14th November 1871, which directed that the Local Cess on the halat on coffee and cardamoms along with that on land assessment should be expended locally while the proceeds from the halat on betel-nut and from abkari collections should be deposited as a separate General Fund, "for expenditure under the Chief Commissioner's orders in any part of the Province in which such special assistance appears to be required."

Cess on Land Revenue	District Fund.	Local Fund General.	Village School Fund	The items under miscellaneous are—
Coffee halat	76 per cent.		24 per cent	1 Forest sales except timber and sandalwood
Cardamoms	76 do		24 do	2 Salt Pans.
Pepper	76 do		24 do	3 Toll contracts
Abkari	76 per cent.		24 do	4 Other items.
Supari in Shimoga and Kadur	76 do		24 do	
Do in other districts	76 do		24 do	
Miscellaneous	76 do		24 do	

2. The Chief Commissioner's Proceedings No. 181, dated 21st January 1877, revised the items composing the Local Fund General and the District Fund, as in the margin, and as regards the object of the former, it was laid down that it should be "available to meet special grants-in-aid from time to time for local purposes under the authority of the Chief Commissioner."

3. Till the year 1891, the grants from the Local Fund General do not seem to have been governed by any recognised principles, the grants having been made as occasions arose. In Proceedings No. 13680-9—Cir. 288, dated 4th March 1891, however, the Government resolved to grant Rs. 10,000 to each of the districts for "any works of utility such as the excavation of wells for the use of men and cattle, construction of village chavadies, bathing ghats, bridges over small nallas or streams, &c.," and the Deputy Commissioners were requested to submit statements of works. On the receipt of these statements the funds were allotted in Government Proceedings No. 6591—6600, dated 10th September 1891, directing at the same time that the funds should not be expended in municipalities unless the works proposed were useful to the general public.

4. Besides these "ordinary" grants for 1891-92, owing to the severe drought of that year "special" grants were made for expenditure on works, Camp No. D., dated 7th December 1891.

5. In 1892-93 a grant of Rs. 15,000 to each district was made from Local Fund General for the "excavation of wells for the use of men and cattle, construction of village chavadies, bathing ghats, bridges over small nallas, &c." As regards the grant for Chitaldrug it was observed: "The grant from Local Fund General is chiefly intended for the excavation of drinking water wells and construction of mantapams and chavadies useful to travellers and villagers, and not for bridges and tunnels which must ordinarily be constructed from District Funds." A provision of Rs. 3,000 made for large bridges and tunnels was struck out.

6. Similarly for the year 1893-94, a grant of Rs. 15,000 to each district was made for similar purposes from Local Fund General, Proceedings No. 5160-68—L. F. 88-93, dated 19th September 1893.

7. In making a grant of Rs. 73,000 to the various districts in 1894-95 it was observed as follows :—" It must be distinctly understood that no works within municipal limits should be undertaken from these funds, nor can they be appropriated for roads which ought to be ordinarily executed from Districts Funds. The money should be appropriated chiefly for the excavation of drinking water wells in rural parts, for constructing bathing ghats, bridges over nallas and such other special works as would promote sanitation and public convenience of the rural parts."—Proceedings No. C-19--L. F. 89-93, dated 4th October 1894.

8. On 24th September 1894, the Dewan made the following note, which was circulated among the Councillors, regarding the nature and constitution of the Local Fund General, &c :—

LOCAL FUND GENERAL.

"This is an unfettered fund, the disposal of which was left to the discretion of the Local Chief Commissioner. It was intended to enable the Chief Commissioner to grant such help to Local Fund Works as he might consider necessary.

"Our system of sanction is now much simpler, and I do not think any special reason now exists for having a separate Local Fund General.

"The Fund consists of 76 per cent of realizations from excise, *sayer, sales of minor forest produce, rent of salt-pans, tolls, &c., the remaining 24 per cent goes to education.

"From the nature of items, it will be seen that were Local Cess on them abolished,

*Except in Malnad where 76 per cent goes to Local Funds of the District.

the revenue to Government from them will be correspondingly increased, an annual grant to District Funds of Kadur and Shimoga and to education will be necessary, and this the Government can give from its General Revenue. Indeed what now constitute the receipts of Local Fund General, are in *reality* Government Revenue, pure and simple. In most cases (except sayer), the one anna per rupee is not a separate levy, but is a deduction of one-seventeenth from the Government Revenue realized.

"It would simplify the accounts to abolish the Local Cess on the items above named, and to give the necessary grants-in-aid to education and to District Funds of Kadur and Shimoga from General Revenue.

"The measure would be otherwise also convenient—only if we abolish the separate levy on sayer, we will not probably make the sayer duty $12\frac{3}{4}$ annas, and we will lose some Rs. 25,000 a year from this source. It is perhaps right that we should do this."

9. The Revenue Councillor the Honorable Mr. P. Chentsal Rao made the following remarks on the note: —

"On principle, the Local Funds General should disappear. There is no principle in demanding a local cess on abkari collections, and on sayer duty. Financially we do not lose by the abolition of Local Funds General, but we lose the benefit of a separate fund at our disposal for local purposes. I do not think that the Dewan will be as ready to make grants for local purposes from Provincial Revenues, as he would, if a portion thereof is set apart for local purposes. On this ground alone, I hesitate to recommend its abolition."

10. On 18th April 1895, the 1st Councillor recorded his opinion as follows: —

"I am also of opinion that the Local Funds General should be maintained as heretofore and utilized for general local purposes."

11. The question does not seem to have been pursued further.

12. Applications having been received from the districts, for the usual grants in 1895-96, the 1st Councillor considered that there had not been a proper utilization of the grants made in previous years and remarked:—(Note dated 21-8-95) "What is required to finish the incomplete works in Kolar and Chitaldrug districts may be granted from Local Fund General, as was done lately in the case of Shimoga. As regards the other districts, only such sums as may be actually required to push

on the incomplete works of last year may be sanctioned."

The Dewan concurring, ordered that only grants for completion of incomplete works need be given. (Note dated 28th October 1895.)

13. Thus the grants which were being freely given between the years 1891-92 and 1894-95 were stopped in 1895-96, the sums required for completing works undertaken out of the grants of previous years being alone sanctioned by a special order of Government.

14. In March 1896 on a note of the Secretariat urging that a grant of a lakh of rupees may be made from Local Fund General, on the ground that the charges of road making and road maintenance absorbed a large proportion of the District Funds and left little for expenditure on small but important works of rural convenience, such as drinking-water wells, cart-tracks, &c., the 1st Councillor slightly reduced the amount proposed to Rs. 76,000 and hoped this would meet with the approval of the Dewan. The Dewan's note on the question, dated 29th March 1896, was as follows:—

"The Local Fund General is not intended to be distributed in this general way throughout the entire Province, but has to be applied to special works of local improvement which would remain unexecuted but for grants from this Fund. This position is in accordance with the original intention and is perfectly consistent with the constitution of the fund by means of virtual deductions from what is really State revenue. The levy on sayer may perhaps be regarded as a local one, but not that on excise, forest produce, &c.

"Another objection is the possible frittering of grants for such petty local works as drinking-water wells, bathing ghats, bridging nallas, clearing manure pits, &c. That the money is properly spent will depend wholly upon the personal energy and intelligent activity of individual Deputy Commissioners, and this unfortunately is a very variable quantity. Moreover, except drinking-water wells, the others are more or less not really necessary, while the clearing of manure pits should be enforced without resort to these funds. If the manure cannot be sold, what is more easy and effectual than burning it? for in rural parts we have dry manure to deal with. Drinking-Water wells are required only in special localities, we have already provided a large number, we will give more where really wanted. Let us have a list of requirements and we will allot funds accordingly.

"But I will not allot funds at so much for each district and expect the Deputy Commissioner to spend it on such an elastic indefinite programme as the one proposed in the note seems to be.

"In tracts which produce the sayer, we have already built the large bridges at Balehonnur, Belur and Hariharpur, two more wanted across the Tunga and Bhadra, also a bridge at Hole-Narsipur. It is for such large works we have to draw upon the fund."

15. In 1897 an application having been made by Deputy Commissioner of Kadur for a grant from Local Fund General for certain village roads and coffee estate roads, the 1st Councillor supported the application in the following terms

"I may take this opportunity of supporting that special grants from Local Funds General may be made to each district annually, as was done prior to 1895. Now that there is a separate agency for executing works undertaken by the Revenue Department, there is every guarantee for the money being spent usefully." (Note dated 13th August 1897.)

16. The Dewan, however, made the following order:—

The application is for grants from Local Funds General for village roads and coffee estate roads. These are pure local works for the aid of which the fund in question, by the terms of its constitution, cannot be made available." (Note dated 19th September 1897.)

17. On this note the 1st Councillor remarked—

I would like to see the terms of the constitution of the Local Fund General. In para 5 the Deputy Commissioner says: 'these roads are intended to connect important villages with main roads and thereby promote communication generally." If so, I am not sure whether the grant cannot be made from Local Funds General. Please let me see the terms of the order constituting the Local Fund General." (Note dated 20th September 1897.)

18. The papers required and a note by the Secretariat having been put up, the 1st Councillor observed as follows:-

"There is nothing in these papers to induce me to alter the view I have

bridges required throughout the State. Already the Hole-Narsipur and Tadasa bridges are being built from this fund: we should adopt the same policy as regards the bridges in this list. The first three bridges in this list as well as a bridge across the Lokapavani are entered in this year's budget, and in the orders on this budget I am providing funds for them from Local Funds General.'

Arkavathi (Kankanalli).
Hemavati (Augur)
Bhadra (Magundi).

21 Orders were accordingly issued declining to grant the funds applied for by the Deputy Commissioners of Mysore and Kadur. The latter officer having again pressed this request, the 2nd Councillor stated on the application

A sudden stoppage of the grants which the Government used to make very liberally heretofore for such works is sure to be attended with much inconvenience and disappointment. I would, as a special case, sanction this proposal of the Deputy Commissioner; sanction Rs. 8,500 for wells." (Note dated 24th November 1898).

In sanctioning the amount the Dewan observed as follows—

1 The sanction as above may be given in this particular case as an exception to the general rule.

2 If drinking water wells *must* be provided for from Local Funds General, we must adopt some definite scale of annual amounts for each district with reference to what it contributes to the fund. If we examine the nature of the receipts of the fund, we will see very good reason for spending them for *general* purposes and not for *local* ones, which latter should be provided for from *District Local* Funds. I think we should have a definite policy. Let us discuss the question once for all and adopt some intelligible plan.

3 Grants for drinking-water wells from Local Funds General are of very recent origin, and the longer we allow them the more difficult it will be to stop them hereafter. (Note dated 5th January 1899).

Other than the circular orders of the Chief Commissioners referred to in the beginning of this note, there do not seem to be any definite rules for the administration of the Local Funds General. Nor does any uniform policy seem to have been followed as regards the grant of funds for works in the several districts, as will appear from the various orders passed by Government during the past several years.